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EXAMINER

SHAIKH, MOHAMMAD Z

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**Please find below and/or attached an Office communication concerning this application or proceeding.**

The time period for reply, if any, is set in the attached communication.

<b>Office Action Summary</b>	<b>Application No.</b> 10/783,655	<b>Applicant(s)</b> YASS ET AL.	
	<b>Examiner</b> MOHAMMAD Z. SHAIKH	<b>Art Unit</b> 4172	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

### Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

### Status

- 1) ☐ Responsive to communication(s) filed on \_\_\_\_.
- 2a) ☐ This action is **FINAL**.                      2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

### Disposition of Claims

- 4) ☒ Claim(s) 1-42 is/are pending in the application.  
4a) Of the above claim(s) \_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-42 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_ are subject to restriction and/or election requirement.

### Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

### Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).  
a) ☐ All    b) ☐ Some \*    c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
  2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_.
  3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

### Attachment(s)

- |  |   |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892)  | 4) <input type="checkbox"/> Interview Summary (PTO-413)<br>Paper No(s)/Mail Date. ____. |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)   | 5) <input type="checkbox"/> Notice of Informal Patent Application                       |
| 3) <input checked="" type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08)<br>Paper No(s)/Mail Date <u>2/20/04</u> . | 6) <input type="checkbox"/> Other: ____.  |

## DETAILED ACTION

### *Claim Rejections- 35 U.S.C § 101*

1. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

2. Claims 1-21, 37-42 are being rejected under 35 U.S.C 101 because the claimed invention is directed towards non-statutory subject matter.

Regarding claim 1 recites a "system". This system comprises (1) a plurality of securities and (2) securities, combine aggregating the securities in at least one bundled instrument security for transaction. None of these components recite anything physical to constitute a "system". Claims 2-21 are also being rejected because they depend from claim 1.

Regarding claim 37, recites a "system". This system comprises (1) a first means for applying bundling criteria, (2) a second means for bundling a plurality of single issuer uniform typed units of at least one security, (3) a third means for selling the bundled instrument security to at least one inventor, and (4) a fourth means for redeeming the bundled instrument security from at lease one investor. None of these components recite anything physical to constitute a "system".

Regarding claim 38, recites a "system". This system comprises (1) a plurality of securities, (2) at least one bundled instrument security the comprises a selected multiple of at lease one of the plurality of securities, (3) one bundled instrument security is sold to, and redeemed by, investors at a bundle price selected in accordance with a

price of at least one of the plurality of securities, and with the predetermined multiple. None of these components recite anything physical to constitute a "system". Claims 39-42 are also being rejected because they depend from claim 38.

Applicant is advised to satisfy the statutory requirements for the claims by correcting the claim language.

### *Claim Rejections- 35 U.S.C § 112*

3. The following is a quotation of the second paragraph of 35 U.S.C § 112:

The specification can conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

4. Claims 1-21, 30, 37-42 are being rejected because the claimed invention is indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as his invention.

Claim 1 recites a "system". This system comprises (1) a plurality of securities and (2) securities, combine aggregating the securities in at least one bundled instrument security for transaction. It is unclear how these components constitute a "system". Claims 2-17, 19-21 are also being rejected because they depend from claim 1.

Claim 18 recites the limitation "an expulsion of the securities". This language is unclear.

Claim 30 recites "for an expulsion of at least one of the plurality of securities". This language is unclear.

Claim 37, recites a "system". This system comprises (1) a first means for applying bundling criteria, (2) a second means for bundling a plurality of single issuer uniform typed units of at least one security, (3) a third means for selling the bundled instrument security to at least one investor. It is unclear how these components constitute a "system". Claim 37 also recites "at least one investor for an expulsion". This language is unclear.

Claim 38, recites a "system". This system comprises (1) a plurality of securities, (2) at least one bundled instrument security the comprises a selected multiple of at least one of the plurality of securities, (3) one bundled instrument security is sold to, and redeemed by, investors at a bundle price selected in accordance with a price of at least one of the plurality of securities, and with the predetermined multiple. None of these components recite anything physical to constitute a "system". Claims 39-42 are also being rejected because they depend from claim 38.

### ***Claim Rejections- 35 U.S.C § 102***

2. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(b) The invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of application for patent in the United States.

3. Claims 1-3, 9, 10-13, 16-17, 19-20, 22-23, 25-28, 32-35, 36,38-39 are being rejected as being anticipated by U.S Patent 6,615,188 to Breen et al, herein referred to as Breen.

Regarding claim 1, Breen discloses: A system for transacting securities, comprising: a plurality of securities (column 5, lines 35-39; column 7, lines 5-9); and a securities combine aggregating the securities in at least one bundled instrument security for transaction (column 15, lines 53-55).

Regarding claim 2, Breen discloses the system as recited in claim 1, wherein the securities comprise any of debt, equity, and hybrid securities ( column 7, lines 26-31).

Regarding claim 3, Breen discloses the system as recited in claim 1, further comprising bundling rules that instruct the security combine to bundle the securities when creating the bundled instrument security (Fig 2; column 15, lines 44-58).

Regarding claim 9, Breen discloses the system as recited in claim 1, wherein the securities are of the same type being issued by a single issuer (column 15, lines 53-55).

Regarding claim 10, Breen discloses the system as recited in claim 1, wherein the securities are of disparate securities types comprising any of equity, debt, and hybrid securities (column 7, lines 26-31).

Regarding claim 11, Breen discloses the system as recited in claim 1, wherein the system operates in a computing environment such that the security combine comprises a computing application (column 7, lines 5-8).

Regarding claim 12, Breen discloses the system as recited in claim 1, wherein the bundled instrument security is generated from a selected multiple of the plurality of the securities (column 15, lines 53-55).

Regarding claim 13, Breen discloses the system as recited in claim 12, wherein the selected multiple has a value in a selected range in compliance with securities regulations (column 8, lines 36-48).

Regarding claim 16, Breen discloses the system as recited in claim 1, wherein the bundled instrument security is sold to, or redeemed by, investors in accordance with at least one option position (column 8, line 28).

Regarding claim 17, Breen discloses the system as recited in claim 1, wherein a dollar value spread is tighter in the bundled instrument security than in the ones of the plurality of securities (column 15, lines 32-40).

Regarding claim 19, the system of claim 1, wherein said bundled instrument security comprises a cash distribution issued on the units of said plurality, wherein the cash distribution is indirectly paid to at least one of the investors (column 9, lines 43-48).

Regarding claim 20, the system as recited in claim 1, further comprising a first fee that is charged when creating the bundled instrument security (column 9, lines 39-40).

Regarding claim 22, Breen discloses a method of transacting a security comprising: providing a plurality of securities (column 5, lines 35-39; column 7, lines 5-9); providing at least one bundling rule for application to the plurality of securities; and aggregating the plurality of securities according to the at least one bundled rule to generate a bundled instrument security (column 15, lines 53-55).

Regarding claim 23, Breen discloses the method as recited in claim 22 further discloses further comprising transacting the bundled instrument security in private or public physical and electronic securities marketplaces (column 8, lines 9-17).

Regarding claim 25, Breen discloses the method as recited in claim 22 further comprising bundling uniform typed units of the plurality of securities to generate the bundled instrument security (column 15: lines 53-55).

Regarding claim 26, Breen the method as recited in claim 22 further comprising bundling disparate typed units of the plurality of securities to generate the bundled instrument security (column 7: line 4; column 15, lines 53-55).

Regarding claim 27, Breen discloses the method as recited in claim 22 further comprising selling the bundled instrument security to at least one investor at a price based on a multiple of at least one of the plurality of the securities (column 15, lines 44-62).

Regarding claim 28, Breen discloses the method as recited in claim 27 further comprising selecting the multiple from a range complying with securities rules and regulations (column 8, lines 36-48).

Regarding claim 32, Breen discloses the method as recited in claim 30 further comprising providing an option position on the at least one of the plurality of securities (column 8, line 28).

Regarding claim 33, Breen discloses the method as recited in claim 22, wherein said aggregating comprises aggregating a selected number of the plurality of securities to generate the bundled instrument security (column 15, lines 53-55).



Regarding claim 34, Breen discloses the method as recited in claim 22, further comprising issuing at least one tradable receipt for the bundled instrument security (column 6, lines 32-33).

Regarding claim 35, Breen discloses the method as recited in claim 34, further comprising listing the tradable receipts on an exchange comprising any of a national securities exchange, ECNs, and NASDAQ (column 8, lines 9-17).

Regarding claim 36, Breen discloses the method as recited in claim 22, further comprising charging a fee when transacting the bundled instrument security (column 9, lines 39-40).

Regarding claim 38, Breen discloses a security transaction system, comprising: a plurality of securities (column 15, lines 35-39) ; and at least one bundled instrument security that comprises a selected multiple of at least one of the plurality of securities (column 16 , lines 43-44); wherein the at least one bundled instrument security is sold to, and redeemed by, investors at a bundle price selected in accordance with a price of at least one of the plurality of securities, and with the predetermined multiple (column 16, lines 37-41).

Regarding claim 39, Breen discloses the security transaction system of claim 38, wherein the securities comprise any of equity, debt, and hybrid securities (column 7, lines 26-31).

***Claim Rejections- 35 U.S.C § 103***

3. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

4. Claims 4-8 are being rejected over Breen in view of U.S Patent 6571219 to Spivey.

Regarding claim 4, Breen discloses the system as recited in claim 2 and the security combine. However Breen does not disclose the trust operated under the guidance of a trustee. Spivey discloses the trust operated under the guidance of a trustee (column 2, lines 60-65; column 3, lines 4-14). Therefore it would have been obvious to one of ordinary skill in the art at the time of the invention to modify Breen's invention to include a trust operated under the guidance of a trustee. One of ordinary skill in the art would have been motivated to include a trust operated under the guidance of a trustee in order to ensure that the monies are to be disbursed in an efficient manner.

Regarding claim 5, Breen discloses the system of claim 4. However Breen does not disclose wherein the trustee is a bank. Spivey discloses wherein the trustee is a bank (column 16, line 44). Therefore it would have been obvious to one of ordinary skill in the art to modify Breen's invention to include wherein the trustee is a bank. One of

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ordinary skill in the art would have been motivated to include wherein the trustee is a bank in order to ensure that funds will always be available to disburse funds from the trust.

Regarding claim 6, Breen discloses the system as recited in claim 4. However Breen does not disclose wherein the bundled instrument security is represented by depositary receipts issued by the trust and administered by the trustee. Spivey discloses wherein the bundled instrument security is represented by depositary receipts issued by the trust and administered by the trustee (column 67, lines 65-68; column 68, lines 1-10). Therefore it would have been obvious to one of ordinary skill in the art at the time of the invention to modify Breen's invention to include wherein the bundled instrument security is represented by depositary receipts issued by the trust and administered by the trustee. One of ordinary skill in the art would have been motivated to include wherein the bundled instrument security is represented by depositary receipts issued by the trust and administered by the trustee in order to ensure that the trust acquires the required funds to disburse to the users.

Regarding claim 7, Breen discloses the system as recited in claim 6. Breen further discloses wherein the depositary receipts are traded on public securities marketplaces, ECNS, and exchanges (column 8, lines 9-17).

Regarding claim 8, Breen discloses the system as recited in claim 7. Breen further discloses wherein the depositary receipts are traded as part of a private securities transactions (column 8, lines 18-24).

5. Claims 14&15, 24,,29, 37 are being rejected over Breen in view of U.S 2002/0087373 to Dickstein et al, herein referred to as Dickstein and further in view of Official Notice.

Regarding claim 14, Breen discloses the system as recited in claim 12. However Breen does not disclose wherein the selected multiple changes responsive to one or more changes affecting the plurality of securities comprising any of a security split, a reverse security split, and a reorganization event. Dickstein discloses wherein the selected multiple changes responsive to one or more changes affecting the plurality of securities comprising any of a security split, a reverse security split (paragraphs: 0015,0039). Therefore it would have been obvious to one of ordinary skill in the art to modify Breen's invention to include selected multiple changes responsive to one or more changes affecting the plurality of securities comprising any of a security split, a reverse security split. One of ordinary skill in the art would have been motivated to include selected multiple changes responsive to one or more changes affecting the plurality of securities comprising any of a security split, a reverse security split in order to ensure that all instruments can be used in the security transaction process. Breen does not explicitly disclose reorganization event. Official Notice is taken that a reorganization event is old and well known in the art. Therefore it would have been obvious to one of ordinary skill in the art at the time of the invention to modify Breen's invention to include a reorganization event. One of ordinary skill in the art would have been motivated to include a reorganization event in order to ensure that if different

companies merge together that all individuals who own stock are correctly compensated.

Regarding claim 15, Breen discloses the system as recited in claim 12. However Breen does not disclose wherein the selected multiple is based on at least one factor comprising any of current share price, market capitalization, trading volume, listing venue, and investor interest. Dickstein discloses wherein the selected multiple is based on at least one factor comprising any of current share price, market capitalization, listing venue, and investor interest (paragraphs: 0018, 0027, and 0047). Therefore it would have been obvious to one of ordinary skill in the art at the time of the invention to modify Breen's invention to include wherein the selected multiple is based on at least one factor comprising any of current share price, market capitalization, listing venue, and investor interest. One of ordinary skill in the art would have been motivated to include wherein the selected multiple is based on at least one factor comprising any of current share price, market capitalization, listing venue, and investor interest in order to ensure that the entire security transaction process runs efficiently. Breen does not explicitly disclose trading volume. Official Notice is taken that the use of trading volume to determine whether to purchase a security is old and well known in the art. Therefore it would have been obvious to one of ordinary skill in the art at the time of the invention to modify Breen's invention to include a feature which includes the use of trading volume to determine whether to purchase a security. One of ordinary skill in the art would have been motivated to include a feature which includes the use of trading

volume to determine whether to purchase a security in order to ensure that investors have all pertinent information available to them before they purchase the security.

Regarding claim 24, Breen discloses the method as recited in claim 23. However Breen does not disclose further comprising applying bundling criteria comprising any of a security price, market capitalization, trading volume, listing venue of the plurality of the securities and investor interest in the plurality of securities. Dickstein discloses disclose further comprising applying bundling criteria comprising any of a security price, market capitalization, trading volume, listing venue of the plurality of the securities and investor interest in the plurality of securities (paragraphs: 0018, 0027, and 0047). Therefore it would have been obvious to one of ordinary skill in the art at the time of the invention to modify Breen's invention to include disclose further comprising applying bundling criteria comprising any of a security price, market capitalization, trading volume, listing venue of the plurality of the securities and investor interest in the plurality of securities. One of ordinary skill in the art would have been motivated to include disclose further comprising applying bundling criteria comprising any of a security price, market capitalization, trading volume, listing venue of the plurality of the securities and investor interest in the plurality of securities in order to ensure that the entire security transaction process runs efficiently. Breen does not explicitly disclose trading volume. Official Notice is taken that the use of trading volume to determine whether to purchase a security is old and well known in the art. Therefore it would have been obvious to one of ordinary skill in the art at the time of the invention to modify Breen's invention to include a feature which includes the use of trading volume to determine whether to purchase a security. One of

ordinary skill in the art would have been motivated to include a feature which includes the use of trading volume to determine whether to purchase a security in order to ensure that investors have all pertinent information available to them before they purchase the security.

Regarding claim 29, Breen discloses the method as recited in claim 27. However Breen does not disclose further comprising changing the multiple responsive to one or more events surrounding the plurality of securities comprising any of: a security split, a reverse-security-split, a reorganization event, mandatory redemption, and mandatory conversion. Dickstein discloses further comprising changing the multiple responsive to one or more events surrounding the plurality of securities comprising any of: a security split, a reverse-security-split (paragraphs: 0015, 0039). Therefore it would have been obvious to one of ordinary skill in the art to modify Breen's invention to include further comprising changing the multiple responsive to one or more events surrounding the plurality of securities comprising any of: a security split, a reverse-security-split. One of ordinary skill in the art would have been motivated to include further comprising changing the multiple responsive to one or more events surrounding the plurality of securities comprising any of: a security split, a reverse-security-split in order to ensure that all instruments can be used in the security transaction process. Breen does not explicitly disclose reorganization events a mandatory redemption and conversion. Official Notice is taken that a reorganization event is old and well known in the art. Therefore it would have been obvious to one of ordinary skill in the art at the time of the invention to modify Breen's invention to include a reorganization event. One of ordinary

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skill in the art would have been motivated to include a reorganization event in order to ensure that if different companies merge together that all individuals who own stock are correctly compensated. Official Notice is taken that mandatory conversion and redemption are old and well known in the art. Therefore it would have been obvious to one of ordinary skill in the art at the time of the invention to modify Breen's invention to include mandatory conversion and redemption. One of ordinary skill in the art would have been motivated to include mandatory conversion and redemption in order to ensure the all outstanding securities are converted to a particular financial instrument.

Regarding claim 37, Breen discloses a system providing a security for transaction (column 5: lines 35-39). However Breen does not disclose a first means for applying bundling criteria comprising any of a security price, market capitalization, trading volume, listing venue of the plurality of the securities and investor interest in the plurality of securities. Dickstein discloses further comprising applying bundling criteria comprising any of a security price, market capitalization, trading volume, listing venue of the plurality of the securities and investor interest in the plurality of securities (paragraphs: 0018, 0027, and 0047). Therefore it would have been obvious to one of ordinary skill in the art at the time of the invention to modify Breen's invention to include disclose further comprising applying bundling criteria comprising any of a security price, market capitalization, trading volume, listing venue of the plurality of the securities and



investor interest in the plurality of securities. One of ordinary skill in the art would have been motivated to include disclose further comprising applying bundling criteria comprising any of a security price, market capitalization, trading volume, listing venue of the plurality of the securities and investor interest in the plurality of securities in order to ensure that the entire security transaction process runs efficiently. Breen does not explicitly disclose trading volume. Official Notice is taken that the use of trading volume to determine whether to purchase a security is old and well known in the art. Therefore it would have been obvious to one of ordinary skill in the art at the time of the invention to modify Breen's invention to include a feature which includes the use of trading volume to determine whether to purchase a security. One of ordinary skill in the art would have been motivated to include a feature which includes the use of trading volume to determine whether to purchase a security in order to ensure that investors have all pertinent information available to them before they purchase the security. Breen further discloses a second means for bundling a plurality of single issuer, uniform typed units of the at least one security into a bundled instrument security in accordance with the bundling criteria (column 15, lines 53-55); third means for selling the bundled instrument security to at least one investor at a price that is a predetermined multiple of at least one unit of the at least one security (column 16, lines 35-36).

6. Claim 21 is being rejected over Breen in view of US 2003/0130923 to Charnley, JR.

Regarding claim 21, Breen discloses the system of claim 1. However Breen does not disclose further comprising a second fee that is charged for the

redemption of the bundled instrument security. Charnley, JR. discloses further comprising a second fee that is charged for the redemption of the bundled instrument security (claim 11). Therefore it would have been obvious to one of ordinary skill in the art at the time of the invention to modify Breen's invention to include comprising a second fee that is charged for the redemption of the bundled instrument security. One of ordinary skill in the art at the time of the invention would have been motivated to include a second fee that is charged for the redemption of the bundled instrument security in order to ensure that the securities manager are properly compensated for their services.

7. Claim 40 is being rejected over Breen in view of Dickstein and further in view of U.S 2003/0069817 to Graff.

Regarding claim 40, Breen discloses the security transaction system of claim 39. However Breen does not disclose wherein the equity securities are selected from the group consisting of common stock, preferred stock, convertible or exchangeable preferred and preference stock, warrants, options, American Depositary Receipts, and interests in limited partnerships and limited liability companies. Dickstein discloses wherein the equity securities are selected from the group consisting of common stock, preferred stock, convertible or exchangeable preferred and preference stock, warrants, options (paragraph 0027). Therefore it would have been obvious to one of ordinary skill in the art at the time of the invention to modify Breen's invention to include wherein the equity securities are selected from the group consisting of common stock, preferred stock, convertible or exchangeable preferred and preference stock, warrants, options.

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One of ordinary skill in the art would have been motivated to include wherein the equity securities are selected from the group consisting of common stock, preferred stock, convertible or exchangeable preferred and preference stock, warrants, options in order to ensure that all different types of securities can be used in the transaction system.

Graff discloses American Depositary Receipts, and interests in limited partnerships and limited liability companies (paragraphs 0020, 00053). Therefore it would have been obvious to one of ordinary skill in the art at the time of the invention to modify Breen's invention to include American Depositary Receipts, and interests in limited partnerships and limited liability companies. One of ordinary skill in the art would have been motivated to include American Depositary Receipts and interests in limited partnerships and limited liability companies in order to ensure that the equity securities encompass all types of instruments.

8. Claim 41 is being rejected over Breen in view of Dickstein and Graff and further in view of Official Notice.

Regarding claim 41, Breen discloses the security transaction of claim 39. However Breen does not disclose wherein the debt securities comprise any of unsecured notes and debentures, secured notes, mortgage bonds, collateral trust bonds, convertible and exchangeable bonds, notes and debentures. Dickstein discloses unsecured notes, secured notes, and notes (paragraph 0027). Therefore it would have been obvious to one of ordinary skill in the art to modify Breen's invention to include unsecured notes, secured notes, and notes. One of ordinary skill in the art would have been motivated to include unsecured notes, secured notes, and notes in order to ensure

that all types of instruments are included. Graff discloses mortgage bonds, debentures (paragraph 0121,0131). Therefore it would have been obvious to one of ordinary skill in the art at the time of the invention to modify Breen's invention to include mortgage bonds and debentures. One of ordinary skill in the art would have been motivated to include mortgage bonds and debentures in order to ensure that all different types of debt securities are included. Breen does not explicitly teach collateral trust bonds, and convertible and exchange bonds. Official Notice is taken that collateral trust bonds, and convertible and exchange bonds are old and well known in the art. Therefore it would have been obvious to one of ordinary skill in the art to modify Breen's invention to include collateral trust bonds, and convertible and exchange bonds. One of ordinary skill in the art would have been motivated to include collateral trust bonds and convertible and exchange bonds in order to ensure that all types of equity securities are included in the security transaction process.

9. Claim 42 is being rejected under 35 U.S.C 103(a) as being unpatentable over Breen in view of Dickstein.

Regarding claim 42, Breen discloses the security transaction system of claim 39. However Breen does not disclose wherein the hybrid securities comprise convertible notes. Dickstein discloses wherein the hybrid securities comprise convertible notes (paragraph 0027). Therefore it would have been obvious to one of ordinary skill in the art at the time of the invention to modify Breen's invention to include wherein the hybrid securities comprise convertible notes. One of ordinary skill in the art would have been

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motivated to include wherein the hybrid securities comprise convertible notes in order to ensure that all types of securities are available to the investor.

## **CONCLUSION**

Any inquiry concerning this communication or earlier communications from the examiner should be directed to MOHAMMAD Z. SHAIKH whose telephone number is (571)270-3444. The examiner can normally be reached on Monday-Friday (7:30-5); alt Fridays.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Tom Dixon can be reached on 571-272-6803. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

/Mohammad Z Shaikh/  
Examiner, Art Unit 4172

Mohammad Z Shaikh  
Examiner  
Art Unit 4172

/THOMAS A DIXON/  
Supervisory Patent Examiner, Art Unit 4172